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FM AMEMBASSY KATHMANDU
TO RUEHC/SECSTATE WASHDC IMMEDIATE 4886
INFO RUEHBJ/AMEMBASSY BEIJING PRIORITY 5340
RUEHLM/AMEMBASSY COLOMBO PRIORITY 5637
RUEHKA/AMEMBASSY DHAKA PRIORITY 0828
RUEHIL/AMEMBASSY ISLAMABAD PRIORITY 3646
RUEHLO/AMEMBASSY LONDON PRIORITY 4969
RUEHNE/AMEMBASSY NEW DELHI PRIORITY 0960
RUEHCI/AMCONSUL KOLKATA PRIORITY 3103
RUEHGV/USMISSION GENEVA PRIORITY 1495
RUEKJCS/SECDEF WASHDC PRIORITY
RHEFDIA/DIA WASHDC PRIORITY
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RUEAIIA/CIA WASHDC PRIORITY
RHEHNSC/NSC WASHDC PRIORITY

C O N F I D E N T I A L SECTION 01 OF 02 KATHMANDU 000326

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E.O. 12958: DECL: 02/08/2017

TAGS: [PGOV](#) [PHUM](#) [PTER](#) [NP](#)

SUBJECT: NEPAL: PM'S SPEECH MIGHT CALM TERAII UNREST

REF: KATHMANDU 265

Classified By: Ambassador James F. Moriarty. Reasons 1.4 (b/d).

Summary

11. (C) At nearly midnight on February 7, Prime Minister Girija Prasad Koirala went on national television to announce a series of steps to meet Madhesi demands and to call for calm in the Terai (his second address to the nation in one week). The speech followed several days of negotiations among the Seven-Party Alliance (SPA) and the Maoists and weeks of dithering by the Government of Nepal (GON) while the Terai unrest continued. In his address, the PM offered specific concessions to the Madhesi, but he also called for other amendments in the election laws for the Constituent Assembly and in the Interim Constitution to ensure that all disadvantaged groups in the country would have a say in a federal, democratic Nepal. Initial reactions have been mixed about whether the speech will stop the protests in the Terai.

PM's Speech Offers Concessions to the Terai

12. (C) In an 11:30 pm address to the nation on February 7, PM Koirala offered to meet several of the key demands of Madhesi leaders since protests began in the Terai three weeks ago. He stated that the percentage of electoral constituencies in the Terai for the Constituent Assembly election would be increased to correspond to the percentage of Nepal's population in the Terai. (Note: Madhesi had complained that, although they claimed to represent close to half of Nepal's population, only about 30 percent of the 205 directly elected seats went to the Terai.) The Prime Minister also agreed to increase the number of proportional seats in the Constituent Assembly to be allocated to the Terai. (Note: Under the Interim Constitution, 204 seats are to be elected through a single national constituency proportional system. The remaining 16 are to be appointed.) The Prime Minister was much more specific than in his January 31 address (reftel) in committing to establish a federal system. Koirala lauded the role Madhesi had played in the past, paid tribute to Madhesi (and security personnel) "martyred" in the unrest, and pledged relief for the victims' families. He closed his remarks with an appeal for calm.

Another SPA-Maoist Deal

13. (C) The late night speech followed several long days of meetings between the SPA and the Maoists. Madhesi rights activists fomenting the current unrest were not included in the discussions, but the small Madhesi-based SPA party, the Nepal Sadbhavana Party-Ananda Devi (NSP-A), actively participated. This time, when he spoke, the Prime Minister was not alone. He gave his February 7 speech to the nation flanked on one side by Communist Party of Nepal - United Marxist Leninist General Secretary MK Nepal and on the other by Maoist Supremo Prachanda.

PM Opens the Debate to Include All

14. (C) While addressing specific Madhesi concerns about the way Constituent Assembly constituencies would be allocated, the election formula the Prime Minister spelled out in his speech made it clear that Nepal's sparsely populated Himalayan and hill districts with their own disadvantaged groups would also be represented in the Constituent Assembly. Koirala stated that "electoral constituencies...would be determined on the basis of homogenous population and geographical suitability and uniqueness." The PM also called in his remarks for the inclusion of all disadvantaged groups in Nepal, including Madhesi, women, dalits, janajatis (ethnic groups), and laborers, among others, in the organs of the state. He appealed to "all brothers and sisters to maintain (Nepal's tradition) of social goodwill, tolerance, and reconciliation."

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Initial Reactions By Madhesi Leaders Generally Positive

15. (C) According to late-breaking reports on February 8, the Madhesi People's Rights Forum (MPRF), has announced that it intends to call off its protest program. Earlier in the day on February 8, MPRF leader Upendra Yadav had raised concerns about several omissions in the Prime Minister's speech. Sarita Giri, Central Committee Member of the NSP-A, told Emboff the same day that the PM's speech was a positive development, but that it lacked specifics as to what was meant by a federal structure for the state. Giri agreed with the MPRF's demand that the Home Minister should resign. Anil Jha, Joint General Secretary of the NSP-A, told us that the PM had addressed the demands of the Madhesi people and that the speech should be welcomed.

Comment

16. (C) While it is still unclear whether the Prime Minister's February 7 address will cause Madhesi protestors to end the current unrest in the Terai, initial indications from Madhesi leaders are positive. Key national leaders, such as respected Speaker of Parliament Subash Nemwang, have hailed the PM's speech as paving the way for the solution. Unlike his January 31 address, which several of his own SPA allies quickly repudiated, this speech has been widely praised. The speech offers the prospect of successful Government of Nepal-Madhesi talks, slated to begin February 8. Koirala was wise to expand the debate to include all disadvantaged groups, not just Madhesi, and to ensure that some seats in the Constituent Assembly would be allocated on a geographical basis. Had he not done so, the PM would have faced a backlash from other disadvantaged groups and from his own supporters in Nepal's hill and Himalayan districts, including Kathmandu. The challenge now will be to forge a national consensus as the Prime Minister's words are translated, as rapidly as possible, into changes in the electoral laws for the Constituent Assembly and the Interim Constitution.

MORIARTY